

# Marine Waterways Diesel Tax Return

This report is due

▶ 2. Company Name and Mailing Address

▶ 1. Report Period (MM/CCYY)	
▶ 3. Account Number (FEIN or TR)	
4. Contact Person Name	
5. Telephone Number	6. Fax Number
7. E-mail Address	

**Instructions:** All licensed marine diesel dealers must file this report with remittance on or before the 20th day of the month following the end of the reporting period. File even if no tax is due. Failure to file is punishable by penalty, interest and revocation of your license. Complete all applicable items.

**TAXABLE GALLONS**

	<b>Report Whole Gallons Only</b>	<b>Tax Rate</b>	
8. Total gallons of <b>undyed</b> diesel fuel sold or used .....	▶ 8. _____		
9. Total gallons of <b>dyed</b> diesel fuel sold or used <b>for taxable</b> purposes .....	▶ 9. _____		
10. <b>Total.</b> Add lines 8 and 9 and enter in 10a. Multiply 10a by the tax rate and enter total in 10b. ....	10a. _____	x .15 =	▶ 10b. _____

**CREDITS** (For undyed fuel only; see instructions for taxable dyed fuel.)

11. Tax-paid gallons included on <b>line 8</b> .....	▶ 11a. _____	x .15 =	▶ 11b. _____
12. Gallons sold TAX-FREE to the federal government .....	▶ 12a. _____	x .15 =	▶ 12b. _____
13. Gallons sold TAX-FREE to state and local governments .....	▶ 13a. _____	x .15 =	▶ 13b. _____
14. Gallons of undyed diesel fuel sold for tax exempt purposes. (Limited to sales of 100 gallons or less. Attach summary schedule. See instructions.) .....	▶ 14a. _____	x .15 =	▶ 14b. _____
15. Gallons of undyed diesel fuel used for your own non-taxable purposes (see instructions) .....	▶ 15a. _____	x .15 =	▶ 15b. _____
16. Total Credits. Add lines 11b through 15b .....			16. _____

**TAX CALCULATION**

17. <b>REFUND.</b> If credit on line 16 is greater than the tax on line 10b, enter difference here .....	▶ 17. _____
18. <b>TAX DUE.</b> If tax on line 10b is greater than the credit on line 16, enter difference here .....	▶ 18. _____
19. Penalty (5% of the tax due per month to a maximum of 25%) .....	▶ 19. _____
20. Interest (1% above prime rate set January 1 and July 1 of each year) .....	▶ 20. _____
21. <b>TOTAL REMITTANCE.</b> Add lines 18 through 20 .....	<b>PAY</b> ▶ 21. _____

**CERTIFICATION**

I certify under penalty of perjury, that I have examined this return, and to the best of my knowledge and belief, it is true and complete.			
▶ <input type="checkbox"/> I authorize Treasury to discuss my return and attachments with my preparer.		<input type="checkbox"/> Do not discuss my return with my preparer.	
▶ Authorized Signature		Preparer's Signature	Preparer's FEIN
Printed Name	Date	Printed Name	Date
Title	Telephone Number	Address	Telephone Number

Questions??? - Call (517) 636-4600. Make check payable to the "State of Michigan-Motor Fuel". Print your account number on the front of your check.

**MAIL WITH REMITTANCE TO:** Michigan Department of Treasury, P.O. Box 77401, Detroit, Michigan 48278

**MAIL REFUND REQUEST OR ZERO RETURN TO:** Michigan Department of Treasury, Customer Contact Division-Special Taxes, Lansing, Michigan 48922

## Instructions for Marine Waterways Diesel Motor Fuel Tax Return, Form 3769

### General Information:

#### • Who Must Be Licensed As A Marine Diesel Dealer?

Any person who engages in the business of selling or distributing diesel motor fuel into marine vessels or into the bulk storage of an unlicensed end user of diesel fuel intended for watercraft.

#### • Dyed Diesel Fuel –

Beginning April 1, 2001, dyed diesel fuel can be purchased tax-free. Dyed diesel fuel is intended for non-highway (non-taxable) use, however, there is no prohibition for using dyed diesel fuel in pleasure boats. If dyed diesel fuel is sold or consumed in a pleasure boat, the entire 15 cents per gallon tax is due on the quarterly tax return.

Marine fuel sold for the following purposes is tax exempt:

- (a) For use in watercraft for commercial fishing
- (b) For use in watercraft by sea scouts
- (c) For use in commercial watercraft in interstate or foreign commerce
- (d) For use in watercraft by the federal, state or local government
- (e) For use in watercraft owned by a railroad or railroad car ferry company
- (f) For use in watercraft when used in trade, including watercraft used in connection with an activity that constitutes a person's chief business or means of livelihood.

### When are marine returns due?

Marine returns must be filed quarterly. The returns are due on the 20<sup>th</sup> day of the month following the end of the quarter. (April 20, July 20, October 20 and January 20) If the 20<sup>th</sup> falls on a Saturday, Sunday or legal holiday, the return is due on the first business day following. The United States postmark on the envelope is the determining factor for timeliness of the return.

### Inventory Methods:

There are two inventory options for tracking and reporting diesel marine sales. You must choose one of the options and be consistent when filing your quarterly report. Once you have chosen an inventory method you cannot switch methods without prior written approval from the department.

The two inventory options are:

1. **Meter Readings** – The total gallons metered through your pump(s). You must report the opening and closing meter readings for each pump on *Marine Waterways Dealer's Schedule of Disbursements* (623-DD, form 3771) and attach the schedule to your quarterly return.
2. **Gross Depletion** – You must report your beginning inventory plus purchases, less your ending inventory each quarter on *Marine Waterways Dealer's Schedule of Disbursements* (623-DD, form 3771) and attach the schedule to your quarterly return.

**Receipts** – All marine dealers must complete a schedule of receipts (purchases) each quarter, *Marine Waterways Dealer's Schedule of Receipts* (621-DR, form 3767). A separate schedule must be completed for dyed diesel fuel and undyed diesel fuel.

### Line by Line Instructions for the Marine Waterways Diesel Fuel Tax Return – Lines not listed are self-explanatory.

**Lines 1 – 3:** If your return is not pre-identified with your name, address and account number, or, if there is a change to the pre-identified information, enter the correct information here.

**Lines 4 – 7:** Enter the name, telephone number, fax number and e-mail address, if available, of a person we may contact between the hours of 8:00 a.m. and 5:00 p.m. with any questions we may have concerning your return.

### TAXABLE GALLONS:

**Line 8:** Enter the total gallons of **undyed** diesel fuel sold or used from column 5 or line G of the *Marine Waterways Dealer's Schedule of Disbursements* (623-DD, form 3771).

**Line 9:** Enter the total gallons of **dyed** diesel fuel sold or used for **taxable purposes** from column 5 or line G of the *Marine Waterways Dealer's Schedule of Disbursements* (623-DD, form 3771). This includes all dyed diesel fuel sold or used in pleasure boats.

**CREDITS: Credits are for undyed fuel only. No credit is allowed for dyed fuel as no tax was paid at the time of purchase.**

**Line 11:** Enter the total tax-paid gallons included in **line 8**.

**Line 12:** Enter the total number of gallons of **undyed diesel fuel** sold **tax-free** to the federal government.

**Line 13:** Enter the total number of gallons of **undyed diesel fuel** sold **tax-free** to state and local governments.

**Line 14:** Enter the total number of gallons of **undyed diesel fuel** sold for tax exempt purposes. NOTE: Tax-free sales of undyed diesel fuel are limited to sales of 100 gallons or less except sales to the government. Tax-free sales over 100 gallons should be **dyed** fuel sales.

**Line 15:** Enter the total number of gallons of undyed diesel fuel used for your own non-taxable purposes. NOTE: Reasonable documentation, such as a logbook, is required to support your non-taxable use.

**Line 17:** If the amount on line 16 is greater than the amount on line 10b, subtract line 10b from line 16 and enter the difference on line 17.

**Line 18:** If the amount on line 10b is greater than the amount on line 16, subtract line 16 from line 10b and enter the difference on line 18.

**Line 19:** Multiply the amount on line 18, if any, by 5% per month that the return is late. The maximum penalty is 25% of the tax due.

**Line 20:** Multiply the amount on line 18, if any, by the interest rate. Contact the department for the proper rate.

**Line 21:** Add lines 18 through 20 and enter on line 21. This is the amount that must be paid with your return.

**Certification:** Complete the certification section in its entirety and sign and date your return.